

STEPHENVILLE ECONOMIC DEVELOPMENT

Action Plan

1. Select Type A or Type B economic development sales tax.
 - Type A sales tax – used for primary job employer projects primarily;
 - Type B sales tax – used for Type A projects as well as “quality of life projects.”
2. Establish Sales Tax Rate to reduce the additional sales tax for property tax relief within the City to adopt economic development sales tax.
(e.g., one-eighth of one percent, one-fourth of one percent)
3. Determine Ballot Proposition content. (i.e., define the type of projects to be authorized)
4. Order an election on a sales tax proposition by ordinance by Friday, February 27, 2015.
5. Canvas the election results for the May 9, 2015 ballot proposition.
6. Report the results of the election to State Comptroller's office by June 30, 2015.
7. Determine name of the economic development corporation.
 - Type A – e.g., Stephenville Economic [or Industrial] Development Corporation
 - Type B – e.g., Stephenville Community [or Economic] Development Corporation
8. Name initial board of directors
 - Type A board – have at least five (5) member board
 - Type B board – have a seven (7) member board
9. Certificate of formation for the corporation is prepared, approved by City Council by resolution and is filed with the Secretary of State's office.
10. Board of Directors hold organizational meeting to adopt bylaws and elect officers.
11. City Council approves bylaws of the economic development corporation by resolution.
12. Economic development sales tax starts on October 1, 2015 provided results of election are reported by June 30, 2015. First allocation of sales tax revenue should be received from the State Comptroller's office in December 2015.
13. Once the economic development corporation receives the sales tax revenue:
 - Corporation may approve the use of the sales tax revenue for permissible “projects” as that term is defined in chapters 501 to 505 of the Texas Local Government Code.
 - City Council retains authority to approve all expenditures of the corporation.
 - The corporation may contract with another private corporation to carry out an industrial development program or objective; or assist with the development or operation of an economic development program or objective consistent with the state statute.

<u>City Revenue Currently:</u>		<u>City Revenue if Ballot Proposition is Approved</u> <u>At 1/8th of one percent:</u>	
Property tax revenue	\$4,316,477.00	Property tax revenue	\$4,316,477.00
Sales tax revenue	\$5,400,000.00	Sales tax revenue	\$4,950,410.25
Franchise Taxes	\$1,431,000.00	Franchise Taxes	\$1,431,000.00
License/Permits	\$171,300.00	License/Permits	\$171,300.00
Municipal Fines	\$250,000.00	Municipal Fines	\$250,000.00
Service Charges	\$900,800.00	Service Charges	\$900,800.00
Other	<u>\$317,125.00</u>	Other	<u>\$317,125.00</u>
Total:	\$12,786,702.00	Total:	\$12,337,112.25
		3.52% reduction	